



April 25, 2014

To: Executive Board

Subject: **Contract Amendment – General Legal Services**

Recommendation

Authorize the Executive Director to amend the billing rates for General Legal Services.

Analysis

Darold Pieper has served as Foothill Transit General Counsel for over 15 years. He has been deeply involved in all current Foothill Transit projects and provides an important source of continuity and background in moving those projects forward. Most recently he formulated the strategy and provided the legal guidance necessary to transition Foothill Transit from contract management to in-house management. During his career, Mr. Pieper has dealt with almost all matters involving California public agencies including general legal counsel, transit, construction contracts, professional services contracts, consulting contracts, prevailing wages, municipal ordinances, leases, licenses and permits, and conflicts of interest.

Examples of legal services provided to Foothill Transit by Mr. Pieper by category are:

General Counsel Services

- Serve as counsel to the Executive Board
- Supply legal opinions regarding operations and advice to resolve major issues
- Negotiate and draft ordinary contracts and agreements

Special Counsel Services

- Represent Foothill Transit at public meetings
- Fare and service changes
- ADA requirements
- Service contracts
- Land use, planning, and zoning
- Public finance and tax issues

At the October 2005 Executive Board meeting, the Executive Board authorized the Executive Director to execute an agreement with Mr. Pieper to provide general legal counsel and to handle California-specific legal matters for Foothill Transit. Amendment No. 1 to the Agreement was adopted as of January 26, 2010 to extend the expiration date and adjust the fee schedule. In October 2013, the contract was extended for an additional five years with a current expiration date of June 30, 2020.



A review of Mr. Pieper's fees indicates that an adjustment would be appropriate. The table below summarizes Mr. Pieper's existing rates and the rates that are proposed for the balance of calendar year 2014.

Service Category	Current Fee	Proposed Fee
Retainer up to 25/hrs per month	\$5,003	\$6,867
General Counsel fee for more than 25 hrs per month	\$220/hr	\$300/hr
Special Counsel fee	\$310/hr	\$350/hr

Adjustments in future years would be based on changes in the Consumer Price Index as allowed in the current contract.

Foothill Transit does use the services of other legal firms for specialized services that are beyond the scope or services provided by Mr. Pieper. Richards, Watson and Gershon provides human resources and claims management services for Foothill Transit. The hourly fee for these services is \$382.50. Thompson Coburn LLP provides legal services related to federal funding and procurement. The fee for services provided by practioners with skills and experience similar to that of Mr. Pieper is \$475 per hour. Accordingly, the proposed increases in rates still place Mr. Pieper at a lower level of compensation compared to other legal services utilized by Foothill Transit.

Budget Impact

Required funding is included in Foothill Transit's FY 2014 Business Plan and will be included in the proposed FY 2015 Business Plan.

Sincerely,

Bobby Magee
Director of Procurement

Doran J. Barnes
Executive Director